



WISCONSIN DEPARTMENT OF ADMINISTRATION

State Bureau of Procurement

Integrated Business Information Systems Enterprise Resource Planning System Request for Proposal RFP #27786-AK

Evaluation Committee Report

Submitted by RFP 27786-AK Evaluation Committee:

- Steve Censky, Department of Administration, State Controllers Office
- Robin Gates, Private Sector member
- Elaine Gerber, Department of Administration, Executive Budget and Finance
- Kirsten Grinde, Department of Administration, Executive Budget and Finance
- Dave Hinrichs, Department of Administration, Division of Enterprise Technology
- Jim Langdon, Department of Administration, Division of Enterprise Operations
- Jack Lawton, Department of Transportation, Division of Business Management

Procurement Manager: Andrea Konik

This report summarizes the process followed to select an Enterprise Resource Planning System (ERP) as part of the Integrated Business Information Systems (IBIS) project.

Purpose of the Procurement

The purpose of this Request for Proposals (RFP) was to solicit sealed proposals for an ERP system.

Issuance of the RFP

Department of Administration Bureau of Procurement RFP 27786-AK was issued on October 26, 2005. Vendors were notified of the solicitation through the VendorNet website.

Note: The State engaged the services of Dale Cattnach, an independent evaluator, to monitor the evaluation process associated with this RFP.

Pre-Submission Timeline

Vendors were given the opportunity to submit initial questions and follow up questions on November 7, 2005 and November 15, 2005, respectively.

Three (3) amendments to the RFP were issued on November 1, 11 and 18, 2005. These amendments provided the answers to all vendor-submitted questions, clarified several small areas of the RFP and answered follow up questions to the State's response to the first round of questions.

The following three (3) Proposers submitted proposals by 2:00 PM Central Time on November 28, 2005:

PROPOSERS
Lawson
Oracle
SAP

Of those submitted proposals, no proposal was rejected for failing to meet the mandatory requirements.

Evaluation Process:

Responses were subject to an automated scoring of their responses to the RFP's Technical Requirements in Section 6. The top scoring Proposer and those Proposers within 10% of the top score were invited to attend scripted demonstrations. Each proposer meeting that criterion received 50 points toward their final evaluation score.

The technical scores are as follows

<u>Proposer</u>	<u>Technical Requirements Score</u>	<u>Evaluation Points</u>
SAP	29,166	50
Oracle	27,453 (5.87% less than top score)	50
Lawson	26,789 (8.15% less than top score)	50

Qualitative Evaluations: Proposers were invited to provide demonstrations in accordance State-provided scripts, which were subsets of the requirements in Section 6 of the RFP.

The audience attending the demonstrations was made up of the IBIS ERP Evaluation Committee, IBIS project staff and IBIS project Subject Matter Experts (SME). The purpose of the SMEs participation was to provide the Evaluation Committee with immediate feedback on the systems being presented from the State staff that developed the technical requirements for the RFP. Attendees were provided with copies of the scripts and the Proposers numeric response to the corresponding requirement.

A debriefing session was held after each functional demonstration with the SMEs providing input and commentary to the Evaluation Committee. Additionally, the Evaluation Committee met at the end of each three-day demonstration to review the demonstration as a whole.

The scripted demonstrations were evaluated by the Evaluation Committee using the following criteria:

- Evidence of system usability and business fit (easily readable and understandable screen formatting, intuitive controls, ability to individually tailor screens, minimal “screen hopping” for transactions, understandable text explanations, efficient workflow, built in exception reporting, etc.)
- Validation of Proposer’s responses to Technical Requirements compared to actual demonstration of ability, e.g., Proposer’s response indicated that a function was Default but the demonstration showed that the function was Customizable.

Using the above criteria, Proposers were rated by the Evaluation Committee with a ranking of 0, 1, 2 or 3 for each functional demonstration area (3 being best and 0 indicating proposed system was not usable for the State or did not validate). Using this methodology, the top scoring Proposer and those Proposers within 10% of the top score could advance to the Cost Proposal stage. Cost Proposals for the Proposers not advancing to the next stage were not opened.

On February 3, 2006, the Evaluation Committee met to discuss the scripted demonstrations and rank each Proposer in each of the five functional areas. The ranking were as follows:

Functional Area	SAP	Oracle	Lawson
Accounting	2	3	0
Budget	2	3	1
Procurement	3	2	1*
Human Resources	2	3	1
Payroll	2	3	1
Totals	11	14	4
Percent less than top score	21.43%		71.43%

*Demonstration showed a Beta version of the Lawson product.

The rankings for each area were reached by the unanimous decision of the Evaluation Committee. Based on the scores and the associated criteria, only Oracle proceeded to the final stage. The Evaluation Committee asked that a request for a Best and Final Offer be made to Oracle.

Cost Evaluation: Oracle's Cost Proposal was opened and their response analyzed. The estimated five-year cost was \$9,638,340. A request for a Best and Final Offer (BAFO) was sent on February 6, 2006. The request specifically asked that the BAFO be done for an Enterprise License. Oracle's response was due on February 10, 2006. The BAFO response was received on February 9, 2006, with a new 5-year cost of \$9,165,840 and the inclusion of the UPK Toolset (value=\$1,131,500) in the total price.

Conclusion: The Evaluation Committee concurs with the results of the procurement process for the IBIS ERP System and recommends that an Intent to Award be issued to Oracle for its PeopleSoft Enterprise Solution. It is understood that such an Intent will not be issued until the independent audit report has been issued to DOA Secretary Stephen Bablitch.